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Surveillance or Collusion?

Maxwell Knight, MI5 and the British Fascisti

JOHN G. HOPE

To suggest that MI5 may have engaged in some form of collusion with the forces of Fascism in Britain between the wars may appear, at first sight, to have little to recommend it. Certainly, it is not a suggestion raised or explored in the existing literature on the subject. On the contrary, most studies have depicted Fascism as the victim of MI5's attentions rather than as its beneficiary. MI5, it is claimed, had little regard or sympathy for Fascism, viewing it as a potential danger to public order and national security against which it was prepared to act once that potential became actual. This, it is argued, is illustrated by the events that occurred in the spring and summer of 1940, when MI5, seeing the Fascists and other 'fellow travellers of the right' as little more than a Nazi 'fifth column', deployed its familiar retinue of 'dirty tricks' against them.¹ There would appear to be little room here for any consideration of the question of collusion. Yet evidence that some degree of collusion did indeed take place can be found in the career and activities of one of the more prominent agents involved in MI5's surveillance of Fascism between the wars, Charles Henry Maxwell Knight. This article seeks to examine that evidence and explore its ramifications.

I

The figure of Maxwell Knight will doubtless be familiar to most readers. Recruited to MI5 by Sir Vernon Kell in April 1925, Knight, according to his biographer, displayed an aptitude for counter-espionage work that brought him rapid promotion through the ranks of the agency.² At the end of 1930 Knight was put on MI5's payroll as a case officer, and, following his success in the Woolwich Arsenal spy case in 1938, was appointed head of B5b, a newly created section established to supervise the placing of agents in 'subversive' organizations. It was as head of B5b that Knight became more closely involved in MI5's monitoring of British Fascists and their right-wing associates. The climax of this involvement occurred in 1940 when Knight and his agents uncovered the

Nazi espionage activities of Tyler Kent and Anna Wolkoff, both of whom had close links with Captain Archibald Maule Ramsay and the Right Club and with Sir Oswald Mosley and the British Union of Fascists. The discovery of these links precipitated the government's amendments to the defence regulations and to the internment of Fascists and other right-wing suspects in the months that followed.³ It is this episode that has earned Knight the reputation for being as staunchly anti-Fascist as he was anti-Communist.

There was, however, another side to Knight's encounter with Fascism which must cast doubt on that reputation. Towards the end of 1923 Knight enlisted in Britain's first Fascist movement of note, the British Fascisti, and served as its Publicity Officer, its Deputy Chief of Staff and as its Director of Intelligence. Evidence confirming this is available from a number of sources. There is, for example, the testimony of Neil Francis Hawkins recently brought to public attention by W.J. West.⁴ Hawkins had been one of the more senior members of the Fascisti but had defected to Mosley's British Union of Fascists in 1932 where he was eventually appointed to the position of Director General of Organization. As such, he had been one of the first of Mosley's men to be interned under Defence Regulation 18B in May 1940. Appearing before the Advisory Committee on 18B Detainees in 1944, Hawkins informed it that the man responsible for his internment, Maxwell Knight, 'had been Director of Intelligence at the British Fascisti'.⁵ Hawkins's testimony is substantiated by an intelligence report on British Fascism sent to the Australian authorities in December 1924 and discovered by the historian Dr Andrew Moore. This identifies Maxwell Knight as the British Fascisti's 'Chief of Intelligence'.⁶ Additional confirmation can also be found in Foreign Office papers where Knight's name appears on a list of the Fascisti's executive committee supplied by Captain Robert Smith, the movement's secretary, to Special Branch and Foreign Office officials in September 1926.⁷ Besides this, the December 1927 issue of the Fascisti's paper, the *British Lion*, published a letter from Knight and a notice from the movement's headquarters which firmly indicate his position and status in the organization.⁸

Knight's involvement in the British Fascisti was by no means a short-lived affair. Although relinquishing his position as its Deputy Chief of Staff in December 1927, he remained an active member and continued to serve as the movement's Director of Intelligence for some years after that date. This much is evident from his letter to the *British Lion*. Written, as he put it, 'to prevent the usual rumour mongers from wasting their breath and their time', Knight went on to explain:⁹

I should like them all to understand clearly that:—

1. I have *not* joined the Communist Party.
2. I have *not* been dismissed for stealing the office milk.
3. I have *not* been bribed by the Conservative Party.
4. I am *not* hiding from my Bolshevik enemies.
5. I have *not* resigned from the movement, but —

I *am* going where I can still keep an eye (or even two) on any undesirables, inside or outside the movement, who may seek to make trouble for us.

The notice from Fascisti headquarters published in the same issue was equally clear on the matter. '[I]t is particularly pointed out', this read, 'that *Mr. Knight's* enforced departure from G.H.Q. will in no way affect his *other fascist activities* which will continue as before.' Precisely how long Knight's 'other fascist activities' continued remains unclear, but Hawkin's testimony would suggest that Knight did not resign from the movement until some time in 1930, the year when he became a case officer for MI5.

It is apparent, too, that during his years as an active member Knight played an important and influential role in the movement's affairs. His responsibilities as the Fascisti's Deputy Chief of Staff and Director of Intelligence included (among others) the maintenance and deployment of its paramilitary units, the compilation of its intelligence dossiers on enemies and rivals, the establishment and supervision of the Fascist cells it claimed to operate in trade unions and factories, the planning and execution of its counter-espionage and sabotage operations, and the maintenance of the movement's own internal security and discipline.¹⁰ These were obviously not simple and mundane responsibilities, but rather duties which were critical to the existence and development of the movement as a viable concern. Above all, they were essential to its functioning as an efficient, effective and distinctly *Fascist* organization. Maxwell Knight quite clearly stood at the nucleus of the movement, its locus of power, and whatever competence and sophistication it displayed were very largely his handiwork.

It could of course be argued that Knight's career in the British Fascisti was merely a necessary part of his surveillance work for MI5 and that he was not, therefore, a *genuine* Fascist. This, however, is rather difficult to reconcile with the available evidence. Knight, as already noted, enlisted in the movement a good year or more *before* he was recruited to work for MI5, which suggests that he must have entertained strong Fascist sympathies. Indeed, that it was a personal belief in the Fascist cause that motivated his membership of the movement is also indicated by his

marriage to the Fascisti's Director of Women's Units, Miss G.E.A. Poole, in 1925.¹¹ There is, too, some evidence to show that Knight retained his enthusiasm for Fascism long after he resigned from the movement. Neil Francis Hawkins recalled in his testimony that shortly after Knight had resigned he invited Hawkins to attend a meeting at the War Office at which Knight not only revealed his employment by MI5 but also offered his continued assistance to the Fascisti in its anti-Communist work.¹² The testimony that Knight himself gave at the trial of Tyler Kent in 1940 suggests, in fact, that his sympathies for Fascism only really began to wane after 1935, when he and his colleagues became concerned about the growing links between the British Union of Fascists and its Italian and German counterparts.¹³ W.J. West has suggested that Knight may well have retained a residue of his Fascist proclivities for longer than this, arguing that it was Knight who warned William Joyce that his name was on the list of those who were to be immediately detained when war broke out – a warning that enabled Joyce to make good his escape to Germany – and even speculating that it was Knight (rather than Anna Wolkoff) who sent Joyce some of the material he used in his radio broadcasts from Berlin.¹⁴

Whatever the truth of Knight's relations with Joyce before and during the war, there can be little doubt that in the 1920s and early 1930s at least, Knight was a confirmed and enthusiastic Fascist, and as such, his recruitment by MI5 is somewhat surprising. That his membership of the British Fascisti and his obvious commitment to the Fascist cause did not constitute a barrier to his employment would appear to indicate that MI5 did not view this particular movement in too unfriendly or hostile a manner. That he was allowed to offer his continued assistance to the Fascisti following his resignation would also appear to indicate that MI5 was not entirely averse to its officers colluding with Fascist organizations, albeit on an individual basis. Indeed, such an arrangement may well have been viewed as offering certain advantages, providing MI5 with access to a valuable source of information and an agent well placed to exert some measure of influence over the movement's affairs. And the fact that the British Fascisti shared with MI5 a common interest in eliminating the 'Bolshevik menace' may have also been viewed as bringing with it added benefits. Certainly, that Knight's work for the Fascisti was directed towards the same ends as his work for MI5 would appear to be more than just a curious coincidence, and suggests the possibility that his collusion was condoned by his superiors for purposes other than straightforward surveillance.

Even so, it seems doubtful that Knight was recruited into MI5 solely on the basis of his credentials as a Fascist, if only because these would

have been insufficient to guarantee Knight's loyalty in the event of a conflict of interest emerging between MI5 and the Fascisti – a possibility the Security Service could hardly afford to exclude. It seems more than likely, therefore, that Knight held credentials in addition to those derived from membership of the Fascisti. Bernard Porter's recent study supports this suggestion. Porter argues that Knight was brought to the attention of Sir Vernon Kell and subsequently recruited into MI5 because he had, in fact, served some form of 'apprenticeship' with a private intelligence agency operated by a certain 'Sir George McGill'.¹⁵ His source for this is John Baker White, Assistant Director and then Director of the Economic League between 1926 and 1945. White recalled in his memoirs how in 1923, shortly before taking up a position with the Publicity Department of the Mining Association, he was recruited to run 'Section D' of a highly secretive and private intelligence agency 'created and directed' by Sir George McGill. According to White, McGill's agency 'investigated all forms of subversion, including communism . . . the international traffic in drugs and the traffic in women and children . . . and the cult of evil of which Aleister Crowley, alias the Beast, was the centre'. White was himself responsible for employing agents for Section D of the agency, one of whom was a young man named Max, 'a naturalist who later entered government service' and who (White recalled) died 'much too young, in 1968' – biographical details corresponding to those of Maxwell Knight.¹⁶

If Porter is correct, then McGill's agency would almost certainly have provided Knight the guarantee of 'loyalty' required by MI5. Sir George McGill, according to White, 'was a close and personal friend of Sir Vernon Kell . . . and could always see the Permanent Secretary to the Cabinet whenever he wished and at short notice'.¹⁷ White had similar connections. His stepfather was Gerald Hartley Atkinson, one of the unpaid personal assistants of Sir Edward Henry, Commissioner of the Metropolitan Police. Atkinson had been employed by Scotland Yard after the First World War where he worked with Sir Henry Curtis-Bennett in Special Branch, dealing principally with its operations against Sinn Féin and the IRA. Curtis-Bennett and Atkinson employed White on a number of occasions before he joined McGill's agency, and as a consequence White enjoyed close relations with Special Branch throughout the 1920s and 1930s. Besides being on familiar terms with senior members of Special Branch White was also well acquainted with their counterparts in MI5, being in regular contact with Brigadier Jasper Harker (who was later to become MI5's Deputy Director-General).¹⁸ It may not have been entirely by chance, therefore, as his biographer insists, that Knight found himself attending a dinner party in April 1925

at which Sir Vernon Kell was also present, and after which he was invited to work for MI5, since his employment by McGill's agency would have resulted in his moving in such social circles, and would have provided him with impeccable credentials.

It is ironic, then, that it would also appear to have been McGill's agency which first introduced Knight to the world of Fascist politics. Again, John Baker White's memoirs are an important source here. White refers to visiting the headquarters of the British Fascisti 'in a large dark house in Elm Park Gardens' shortly after the movement had been launched. A personal element may well have intruded, since White's mother, Katherine Atkinson, was a close friend of Nesta Webster, the intellectual doyenne of the movement, and had collaborated with her in writing the pamphlet, *The Communist Menace*. She also appears to have been acquainted with the Lintorn-Ormans, the Fascisti's founders. White, too, had a strong admiration for Fascism, confessing that 'when fascism first came to Italy and the Blackshirts marched on Rome, it seemed to be a force liberating the country from the perils of Communism'.¹⁹ At all events, White was lavish in his praise for that 'much misunderstood movement', the British Fascisti. He admired the Fascisti, he wrote, 'for meeting the Communists on their own grounds and [fighting them] with their own methods . . . in many bloody and sometimes considerable battles at street corners and public halls'. Rotha Lintorn-Orman, the movement's founder, he declared, 'was one of the bravest people I have ever met', whose 'bravery was by no means purely physical'. Indeed, 'had she been gifted with greater political judgement', he went on to state, 'with the backing of funds, and had she been able to formulate a more constructive policy, the movement might have become an important factor in the political life of Britain'. As it was, White maintained, 'it achieved an end for which it has never been credited. It forced the Communist Party to abandon much of its militant activity . . .'.²⁰

White was so impressed, in fact, that both he and his mother enlisted in the movement and sat on its ruling body, the Fascisti Grand Council – a fact omitted from his memoirs but preserved for posterity in the records registering the British Fascisti as a limited liability company in May 1924.²¹ This being so, it seems reasonable to suggest that White's visit to Fascisti headquarters was prompted by more than just personal curiosity or interest (as he implies in his account). It seems far more probable that the purpose of his visit was to establish and maintain contact with the movement on behalf of McGill's agency, and assess its potential for conducting anti-Communist operations. Judging by his enthusiastic response, and his enrolment in its ranks at a very senior

level, White's assessment must have been positive and some form of assistance offered as a result. And what more practical form of assistance to give than the services of one of the agency's own operatives, already skilled in the art of anti-Communist counter-espionage, such as the young Maxwell Knight? This would certainly explain why the British Fascisti chose such an apparent, inexperienced novice as Knight to be its Deputy Chief of Staff and Director of Intelligence above those of its members better qualified to hold these posts. It would also go a long way towards explaining how, why and in what circumstances Knight developed his enthusiasm and commitment to the Fascist cause.

II

If, as the evidence above suggests, McGill's agency served as an intermediary between the world of Fascism and that of the Security Services, it is clearly important to identify McGill and his agency more precisely and explore these connections further. Although suitably guarded and reticent on the subject – if not, at times, downright misleading – White does leave sufficient clues in his memoirs to enable such identification to be made, at least in so far as Sir George McGill is concerned. Apart from the friendship with Sir Vernon Kell White refers to McGill's membership of the Caledonian Club, his participation in the Organization for the Maintenance of Supplies (OMS), and to his sudden death in 1926.²² These details coincide with those of Sir George Makgill, the 11th Baronet of Kemback, and heir to the then lapsed family title of Viscount of Oxfuird. Better known (according to his obituary in *The Times*) 'as a writer of novels, articles and stories, chiefly of colonial life', Sir George was also a well-known activist and influential figure in anti-socialist circles. Besides his involvement in the OMS, he served as secretary and chief organizer of the British Empire Union, general secretary of the British Empire Producers' Organization and vice chairman of the Peoples' League. In addition, Makgill stood as the parliamentary candidate for the short-lived Anti-Waste League in 1921.²³

Unfortunately, White's memoirs are less helpful on the question of Makgill's private intelligence agency, insisting as they do that this had been 'created and directed' by Sir George 'entirely at his own expense'. This, however, seems highly unlikely given that the financial costs involved in operating an agency that investigated such diverse areas as Communism, the traffic in drugs, the 'white slave' trade and the occult underground would have been enormously prohibitive on an *individual* basis. It is much more probable that the agency was financed by and

operated under the auspices of one of the many anti-socialist organizations with which Sir George was associated, one of the more obvious contenders here being the British Empire Union (BEU). This particular body had been launched in April 1915 by members of the British Empire Producers' Organization to mobilize popular support behind a campaign (economic in intent) for 'the Extirpation – Root and Branch and Seed – of German Control and Influence from the British Empire'.²⁴ Shortly after its formation the BEU began airing its concerns about the dangers of 'German espionage' which it believed was being conducted through 'aliens', pacifists, conscientious objectors and, indeed, anyone whose activities it regarded as prejudicial to the war effort. To combat this menace, and provide proof of its allegations, the BEU set about establishing a network of agencies to investigate the German 'spy network' and its control of 'disloyalist' elements. Reports and dossiers on individuals and organizations suspected of espionage or sabotage were compiled by the network's agencies and sent to Special Branch and MI5 from mid-1916 onwards, and brief summaries appeared from time to time in the BEU's monthly paper.²⁵

That Sir George Makgill was indeed responsible for directing and supervising the BEU's network is clearly reflected in the archival record. So, too, is the role he played in ensuring that the network survived into the immediate post-war years.²⁶ By then, Makgill's anxiety, and that of the BEU's major sponsors, had shifted from the German 'spy menace' to the dangers inherent from 'Bolshevik subversion', a shift prompted by the upsurge of industrial unrest and political militancy that had followed in the wake of the Russian Revolution and the armistice. Not only was the network retained to confront this relatively new danger, it was also substantially reorganized and enlarged, and its agencies instructed to investigate the activities of Communists, socialists, Labour Party activists and 'militant' trade unionists. So great was the alarm felt that some of the intelligence collected by the network was made available on a carefully restricted basis to anxious employers, worried (usually Conservative) politicians, and 'trustworthy' anti-socialists through the medium of a confidential – and costly – newsletter, the *Weekly Circular*.²⁷ The flavour of the newsletter was rather accurately summarized by one well-placed observer who wrote that the BEU was 'a sound organization, but the information it supplies to its subscribers is not invariably reliable'.²⁸

It is important to note here that the network was not restricted in its activities to mere intelligence-gathering, but was also involved in a form of covert warfare against the BEU's political adversaries. Documents detailing these more dubious activities conducted by the network's

Liverpool-based agency were uncovered by the labour historian, Ron Bean, among the Cunard Papers deposited at Liverpool University.²⁹ This agency was operated by the district secretary of the BEU's Liverpool branch, James McGuirk Hughes, a figure who was later to achieve some notoriety as the MI5 agent operating as 'Major' P.G. Taylor and employed as the Chief of Intelligence for Mosley's British Union of Fascists.³⁰ Hughes and his agents spent most of their time providing a vetting and blacklisting service for Liverpool's employers, handing over the names and addresses of the most active socialists and trade unionists in the area, together with their plans and preparations for strikes and meetings which were obtained by infiltration and theft (where infiltration failed to obtain the desired results). Posing as militants, they also engaged in *agent provocateur* activity to discredit those individuals and organizations identified as 'subversive'. In addition, the agency embarked on an extensive campaign of sabotage, breaking into premises, stealing correspondence and membership lists, and forging documents, almost, it would seem, at will. Nor was the Liverpool agency the only one in the network to have engaged in such activities. A careful scrutiny of the BEU's annual reports and monthly paper for the 1919–23 period provides ample evidence that other agencies in the network indulged in the same practices, though none appear to have been quite as successful as their Liverpool counterpart.³¹

The BEU and its network, however, do not appear to have operated in an entirely independent and autonomous fashion. By mid-1918, there was a certain degree of co-operation with other 'patriotic' and anti-socialist groups, most notably the British Workers' League, the National Alliance of Employers and Employees, the Industrial League and Council, the National Party, the British Commonwealth Union and the National Stability League (created by the Federation of British Industries to provide 'a Clearing House of information in regard to the Rank and File Movement and the Pacifist and Revolutionary bodies acting in conjunction with it').³² To these were added, by the summer of 1919, a veritable host of other anti-socialist organizations that had been formed in response to the increased militancy of the workforce and the 'rise of Labour' – the most important here being the National Security Union, the National Citizens' Union (known initially as the Middle Classes' Union), the (revived) Anti-Socialist Union and the National Unity Movement. Given their identity of aim and purpose, not to mention their overlapping membership at the executive level, it is, of course, hardly surprising that some degree of co-operation existed between these different groups, nor that concerted attempts were made to co-ordinate their funding and anti-socialist activities.³³ Even so, it would

seem that up to August 1919 the extent of such co-operation was distinctly limited, and that attempts to co-ordinate their efforts were undermined by rivalry, hostility and competition. Patrick Hannon, general secretary of the British Commonwealth Union (BCU), commenting on this state of affairs in a memorandum on the subject written in June 1919, noted that the anti-socialist bodies were 'working in a more or less haphazard and indiscriminate fashion, frequently overlapping one another, and involving much waste of effort, and so far . . . with definitely unsatisfactory results'.³⁴ Subversion would triumph, Hannon intimated, if anti-socialist forces could not form a united front against their common enemy.

Hannon's memorandum therefore proposed the creation of 'a single scheme . . . a Central Committee for National Propaganda . . . under a competent director whose identity and the identity of whose colleagues on the Committee shall as far as possible be kept secret', and 'to place at its disposal all the financial resources necessary' for its development. To that end he advised that 'a conference be convened of the Leaders of all the patriotic elements . . . and these Heads of the Movements be constituted an Advisory Council to the Central Committee'. Such a conference eventually took place on 26 August 1919 at the Savoy Hotel in Admiral Hall's suite of rooms, those attending (or wiring their support) being the individual employers and employers' associations largely responsible for financing the anti-socialist groups.³⁵ Here it was agreed to establish a central co-ordinating body, to be known as National Propaganda, and to put its administration under the control of Admiral Hall (at that stage director of the National Security Union) and his assistant, Captain Kelly. Over the course of the next four years, National Propaganda sought to operate as the co-ordinating body for the existing anti-socialist organizations by utilizing the monopoly of financial sponsorship it was able to obtain from employers and employers' associations, a process in which they were assisted by Sir George Makgill and the BEU.³⁶ Indeed, by 1924, when National Propaganda was reorganized and re-named the Central Council of Economic Leagues, the independence and autonomy of the British Empire Union and other national anti-socialist groups was effectively ended as these now became formally affiliated to the Central Council with permanent seats on its executive committee (alongside the representatives of the major financial sponsors). This is confirmed by a Special Branch report written by Captain Guy Liddell in September 1926 in which he stated that 'The Central Council [of Economic Leagues] represents among other bodies, National Propaganda, British Empire Union and National Citizens' Union'.³⁷

The implication of these developments for the network of intelligence agencies operated by Makgill on behalf of the BEU seems obvious enough. While the BEU underwent the process of its affiliation to the Economic League in the years between 1919 and 1924, so its network of agencies were gradually amalgamated into the more elaborate and sophisticated intelligence agency established by Admiral Hall's organization. This does not appear to have occurred immediately, but rather, seems to have been a protracted affair, involving delicate negotiations and manoeuvring. Certainly, there is evidence suggesting this in the Cunard Papers, which indicates that the BEU's network retained some degree of autonomy as late as mid-1923.³⁸ It seems probable that the process of amalgamation was begun by Admiral Hall in early 1920, and finally completed only in 1924 by the League's second chairman, Sir Auckland Geddes.³⁹ That the BEU's network was indeed amalgamated into that of the League is (inadvertently) confirmed in White's memoirs where he states that he attended the founding conference of Theodore Aubert's International Entente Against the Third International in 1924 as a representative of Makgill's agency.⁴⁰ In fact, as Liddell's Special Branch report cited earlier makes clear, the only British delegates to this and subsequent conferences of Aubert's group were those sent by the Economic League, a fact also confirmed by the accounts given both by the League and the International Entente.⁴¹ White, then, must have been one of those delegates, thereby indicating that by 1924 the BEU's network was no longer operating independently but as an integral part of the Economic League (which no doubt retained Makgill's services for the skills he had acquired in counter-espionage). When John Baker White and Maxwell Knight were recruited to work for Makgill's 'private intelligence agency', they were entering at a time when its absorption into the League was virtually complete.

III

If we assume this identification to be accurate – and all the available evidence suggests that it is – then White was certainly correct to refer in his memoirs to the agency's links with the intelligence and security services. Personal connections in particular appear to have been extensive. White's claim that Sir George Makgill was 'a close and personal friend of Sir Vernon Kell', for example, can be readily verified from archival sources showing that at the time of the general strike in 1926 Sir George was assisting Kell in finding suitable recruits for MI5.⁴²

Likewise, as a former Director of Naval Intelligence, Admiral Hall enjoyed close contact with his former intelligence associates and there is evidence indicating that he exploited these for the benefit of the League's agency.⁴³ Other senior figures associated with the League and its affiliates had similar associations, such as Brigadier General Sir George Cockerill, the former Deputy Director of Military Operations and Military Intelligence and of Special Intelligence between 1916 and 1921. A close friend and associate of Patrick Hannon and other Tory diehards, Cockerill became a member of the British Commonwealth Union, one of the groups involved (as noted above) in bringing National Propaganda into existence, and which remained affiliated to the Economic League until its dissolution. His links with former intelligence colleagues also proved useful to the 'agency'.⁴⁴ Major William Melville Lee, a senior figure in the notorious PMS2, was yet another member of the intelligence and security services implicated in the agency's affairs, principally through his editorship of *Industrial Peace*, a journal working closely with the BEU and subsidized by National Propaganda.⁴⁵ Indeed, personal links could be extended indefinitely, since a good many more members of the League and its constituent bodies were quite clearly well-placed to exploit intelligence contacts either through family connections or ministerial appointments.⁴⁶

It would be wrong, however, to view the existence of such links as entirely surprising. As a number of recent studies have indicated, the intelligence and security services had a long tradition of recruiting from and maintaining relations with the more conservative elements among Britain's business elites, and sympathized with the anti-socialism that these elites espoused and practised.⁴⁷ The First World War facilitated this, since the intelligence community now had the task of protecting industry from possible sabotage – and in practice this entailed close co-operation with those employers and employers' associations directly involved in promoting anti-socialist groups and their activities (the Vickers industry and the Engineering Employers' Federation being obvious examples here).⁴⁸ Besides this, the war also confronted the intelligence and security services with an acute manpower shortage, which it only really overcame by exploiting the resources of those 'patriotic' and anti-socialist groups which the business community had founded. Admiral Hall, the Director of Naval Intelligence, used both the Navy League and the National Service League as recruiting ground for his wartime operations.⁴⁹ The latter organization also served to provide the nucleus of the intelligence unit established by the Ministry of National Service.⁵⁰ Other Ministries with an intelligence apparatus followed suit, drawing upon the resources of such organizations as the

National Alliance of Employers and Employees, the Industrial League and the Industrial Welfare Society.⁵¹

The war, in addition, involved the intelligence and security services more closely in matters relating to the whole question of labour and industrial unrest. Although not initially a problem, the emergence of working-class unrest and the development of a radical shop stewards' movement (with links to the political left), rapidly made the 'labour question' of central concern, as was formally acknowledged by General Tagart, Deputy Adjutant-General, in a lecture he delivered to army and military intelligence personnel in December 1917.⁵² Labour unrest and industrial militancy were viewed as a direct threat to the production of munitions, and thus to the army's ability to wage war. And with conscription, as General Tagart pointed out, 'discontent' could insinuate itself into the troops, undermining morale, discipline and efficiency. It was therefore necessary for Special Branch, Army Intelligence and MI5 to monitor and keep under surveillance 'militant' trade union activists and their associates in the socialist, pacifist and anti-conscriptionist movements, and, if possible, isolate these 'extremists' from the labour movement generally.⁵³ The development of this perspective and agenda gave the intelligence and security agencies an identity of interest with employers, and provided an additional stimulus for those agencies to rely upon the employers' 'patriotic' and anti-socialist groups in assisting with this aspect of their work. This is readily identifiable in the case of Special Branch, where its head, Sir Basil Thomson, called upon the British Empire Union and the British Workers' League to assist in monitoring the meetings (private as well as public) of socialists, pacifists and conscientious objectors.⁵⁴ It would appear from the fragments of evidence that have survived that Army Intelligence, MI5 and PMS2 followed Thomson's example.⁵⁵

It was, therefore, somewhat inevitable that these arrangements continued into the post-war years, when industrial unrest and political militancy increased in intensity and scope, and affected every sector of the work-force. There were fears in intelligence and security service circles (shared by the business community) that Britain was dangerously close to revolution, aided and abetted by 'Bolshevik extremists', and at a time when intelligence and security agencies were being scaled down.⁵⁶ Their response was to encourage and support the endeavours of private enterprise to organize its own anti-socialist counter-revolutionary response. A meeting of the three main agencies responsible for domestic 'security' – Special Branch, MI5, and Army Intelligence – took place in February 1919 and, while documents detailing the contents of that meeting are not available, it is clear that one of the

issues discussed was the development of 'private' anti-socialist agencies. Lieutenant Colonel Ralph Isham who attended the meeting on behalf of Army Intelligence wrote a memorandum the following month stating that it was his 'considered opinion that the several unofficial organizations which have been formed to investigate and combat Bolshevism . . . should be amalgamated under one head with the least possible delay'. Discussions with the groups concerned must have already taken place by the time Isham penned his memorandum since he went on to note that '[i]t is my information that they would all willingly come into this arrangement'.⁵⁷ Interestingly, some of the phrases used by Isham elsewhere in his memorandum re-appeared, virtually verbatim, in the memorandum written by Hannon which facilitated the formation of National Propaganda.

Although these attempts to encourage the anti-socialist organizations to amalgamate 'under one head' did not bear fruit until August 1919, the intelligence and security services were quite prepared to assist and co-operate with each body on an individual basis in the meantime. The archival record shows, for example, that Basil Thomson (now Director of Intelligence at the Home Office) was perfectly prepared to work closely with the Anti-Socialist Union, supplying it with confidential intelligence material and agents to facilitate its anti-socialist campaigns and activities.⁵⁸ Thomson also attended special meetings of National Propaganda's executive committee 'for the purpose' (as Captain Kelly put it) 'of offering information on Extremist activities'.⁵⁹ Documents relating to the BEU's intelligence network indicate that it, too, was the recipient of Special Branch largess. Lieutenant Colonel J.F.C. Carter, a former senior MI5 officer who was now the Assistant Commissioner of the Metropolitan Police responsible for Special Branch, supplied the network with plain-clothes police, Special Branch officers and funds on a frequent (but irregular) basis.⁶⁰ This, of course, was in addition to whatever assistance it received from MI5 that arose from Sir George Makgill's friendship with Sir Vernon Kell. Army Intelligence also co-operated and liaised with anti-socialist intelligence agencies. A2, the counter-espionage unit established by Army Intelligence (and run by Lieutenant Colonel Isham) to counter dissident and 'Bolshevik' agitation in the Army, commissioned the services of the National Stability League and the Anti-Bolshevik Society to assist in its operations against ex-servicemen's, trade union and left-wing groups in the immediate post-war years.⁶¹

It is worth noting that the involvement of Special Branch, MI5 and Army Intelligence in developing the 'private' intelligence agencies, and the collusion which inevitably emerged from this, were, in fact,

encouraged implicitly and explicitly by the Lloyd George Coalition government and its Conservative successors. Indeed, both during and after the First World War, governments legitimized close co-operation between state intelligence and security agencies and their 'private' counterparts by condoning the participation of 'patriotic' and anti-socialist groups in such government bodies as the National War Aims Committee and the Supply and Transport Organization. The first of these, the National War Aims Committee (NWAC), was created by the War Cabinet in June 1917 in response to the growing mood of pacifism that was emerging after nearly three years of war, and to signs that the main pacifist groups, the Union of Democratic Control and the No Conscription Fellowship, were linking up with the disaffected and militant elements in the labour movement, with results that would be disastrous for the war effort.⁶² Presided over by Lord Carson, the NWAC was directed to work through existing 'loyal and patriotic societies', most notably the British Workers' League and the British Empire Union, to counter pacifist and left-wing agitation and unity. Between July 1917 and November 1918 the NWAC employed these two anti-socialist groups to disseminate anti-pacifist and anti-socialist propaganda, and to arrange counter-demonstrations to disrupt pacifist and socialist meetings. To ensure the success of these latter ventures, the Cabinet instructed Special Branch, in conjunction with MI5, to supply the NWAC and its anti-socialist assistants with the details of every public and private gathering planned by pacifists and socialists so that 'spontaneous opposition' could be organized.⁶³ From the beginning, therefore, the collusive relations that Special Branch and MI5 developed with the anti-socialist organizations were stimulated and sanctioned by government.

The Supply and Transport Organization (STO) played much the same role in the post-war years. This body was established by the government in 1919 in order to maintain essential services and supplies in the event of a national, general or 'revolutionary' strike.⁶⁴ The effectiveness of this elaborate, lavishly financed and well-organized strike-breaking machine, however, depended entirely upon its capacity to recruit volunteers to undertake strike-breaking duties and to act as Special Constables to protect strike-breakers, guard strategic supplies and maintain public order. The archival evidence clearly indicates that here the STO was obliged to rely upon the anti-socialist groups to provide the 'loyal and patriotic' citizens that were needed as volunteers, and that at least two of these groups, Admiral Hall's National Security Union and Lord Askwith's Middle Classes Union (later known as the National Citizens' Union), had been formed with government connivance for the

purpose of creating a pool of (largely middle-class) volunteers for the STO.⁶⁵ Anti-socialist organizations were certainly used by the STO during the railway strike of September–October 1919, with Lloyd George himself calling upon the services of the newly-formed National Propaganda to produce and distribute propaganda and to recruit and supervise volunteers to perform ‘those dangerous duties’ others ‘had declined’.⁶⁶ Those groups affiliated to National Propaganda can also be identified as having supplied the bulk of strike-breaking volunteers and Special Constables recruited by the STO when it was subsequently activated in 1921 and 1926.⁶⁷ As Special Branch and MI5 were involved in every aspect of the STO’s work, it would have been an essential and necessary part of their duty to have co-operated extensively with those anti-socialist bodies rendering assistance to the STO.

The accumulation of evidence, then, would make it appear reasonable to argue that the anti-socialist organizations and their respective intelligence agencies were, in fact, deeply intertwined with the state’s intelligence and security services, and that they clearly did, as John Baker White hinted in his memoirs, operate in conjunction with one another. Indeed, it is possible to view the results of their collusion as giving rise to a network of separate but overlapping and interlocking individuals and organizations connecting the world of private and state intelligence agencies, with the line between both being distinctly blurred. This is not to suggest, of course, that this somewhat loose and informal structure always functioned smoothly, or that there were no distinctions or disagreements between the private and the state interests. White refers to many such disagreements and clashes of interest in his accounts. So, too, does the former head of Special Branch, Sir Wyndham Childs, who complained bitterly about those groups which ‘frequently exceeded their duties and indulged in forms of espionage and secret service . . . rendering the most alarmist reports . . . rumours and predictions’.⁶⁸ But whatever differences, disagreements and disputes may have existed, the fact remains that the private and state agencies could readily interchange personnel, and that senior officers in Special Branch and MI5 gave assistance to their ‘private’ counterparts throughout the 1920s. Recent studies, too, have demonstrated that the intelligence agencies of groups such as the Economic League continued to work closely with Special Branch and MI5 into the 1930s and beyond.⁶⁹ At all events, the overall *pattern* of arrangements is clear enough, and it is therefore easy to see how someone like Maxwell Knight could move so easily and smoothly from working with the League’s intelligence agency to working with MI5. They were, it would seem, part of the same nexus.

IV

That Fascism intruded into these arrangements stemmed largely from the contribution that anti-socialist groups made to the development of Fascist movements in Britain. This, as existing studies have shown, was especially strong in the ideological arena. By far the bulk of the anti-socialist bodies that emerged during and after the First World War belonged to what historians have referred to as the 'radical right', that loose coalition of disaffected Conservatives who sought to challenge that party's traditional policies with an alternative vision of 'true Conservatism' based on tariff reform, imperial unity and a renewed 'spirit of national and patriotic pride'. It was essentially the anti-socialist groupings that ensured that this Conservative dissidence survived into the 1920s and made its message readily available to the Fascist movements.⁷⁰ Fascists adopted the 'true Conservatism' with enthusiasm, and tariff reform, a united Empire and patriotic nationalism served as the basis of their ideology throughout the inter-war years. They took on the anti-socialists' rejection of liberalism and impatience with parliamentary democracy, as well as the anti-socialists' aggressive opposition – anti-Semitic in practice and intent – to 'aliens', their fear of organized labour, and their paranoia that industrial unrest was the harbinger of a Bolshevik-style revolution inspired by a 'Jewish conspiracy'.⁷¹

Nor was it simply a question of ideology. A good many of the anti-socialist groups displayed a paramilitary dimension that certainly would not have been out of place among the Fascists. In part, this paramilitarism was a direct legacy of the pre-war Ulster crisis, when the radical right sponsored the Ulster Volunteer Force, but the anti-socialists had adopted it in their encounters with the organized labour movement as early as 1911, and it became a prominent feature of the groups they formed to combat the 'revolutionary threat' posed by pacifists, socialists and militant trade unionists both during and after the First World War. The National Security Union, for example, spoke of 'mobilizing the patriotic elements of the country' into military units to assist the authorities combat the pillaging and general disorder it believed would follow a 'revolutionary strike'. The Liberty League, likewise, proclaimed its intention of doing 'something more than merely sit down and wait for the Bolsheviks to get in the first blow'. Similar pronouncements were made by the Anti-Socialist Union and the National Citizens' Union.⁷² There is clear evidence, too, that this was *not* just talk. The British Empire Union, for example, formed paramilitary units com-

prised of military reservists, soldiers and sailors on leave, and merchant seamen in order to launch assaults (sometimes savagely violent) on pacifists and socialists in the 1917–22 period. Sir Henry Page Croft's National Party established a Civil Defence Movement and Peoples' Defence League that engaged in attacks on strikers in Glasgow and on the Clyde in 1919.⁷³ Such incidents bear an uncanny resemblance to those in which the British Fascisti would be involved only a few years later.

It is not entirely surprising, then, to find anti-socialists being drawn into the British Fascisti from an early stage. Indeed, the Fascisti recruited much of its initial membership from the ranks of the anti-socialist groups. Patrick Hannon and Major Pilcher from the British Commonwealth Union, Basil Peto and the Reverend Gough from the National Party, Colonel Sir Charles Burn, Sir J.R. Pretymann Newman and Sir Gerald du Maurier from the National Citizens' Union, and Sir Burton Chadwick and John Baker White from the British Empire Union are only a few of the more obvious examples of those who enlisted in the movement.⁷⁴ Others who 'flirted' with the Fascisti, or accorded it respectability by speaking on its platforms or by employing its specially trained paramilitary 'Q' divisions for their own meetings and campaigns included Commander Oliver Locker Lampson, Sir Robert Horne, Sir Philip Sassoon and Sir Robert Bower.⁷⁵ At the local level, too, the Fascisti succeeded in attracting the support of grass-roots anti-socialists, causing one Conservative MP to complain that the movement was poaching the Tories' natural constituency.⁷⁶ Likewise, the plethora of titled aristocrats and senior military personnel who graced the movement's membership list linked it firmly to anti-socialist circles.

That the anti-socialist elite were probably far more directly involved in the Fascisti's actual formation and development than historians have cared to acknowledge is suggested by the role played by the Duke of Northumberland. A well-respected and influential figure in both anti-socialist and Conservative politics, it was in Northumberland's paper, *The Patriot*, that the formation of the Fascisti was announced and its initial recruiting campaign conducted. Indeed, the Duke had himself carefully prepared the ground for the emergence of the movement for some months in advance by writing articles in *The Patriot* extolling the virtues of Mussolini and his Fascisti, and comparing conditions in Britain in 1923 with those in Italy before the Fascists seized power. 'All those brutal attacks on Christianity, individual liberty, patriotism and loyalty to the throne,' he thundered, 'under which – but for the coming of Fascism – Italian civilization had perished, are to be reproduced here

in Britain in 1923.⁷⁷ Some of the earliest and most active members of the British Fascisti – such as Nesta Webster and Lord and Lady Sydenham of Combe – were personal friends of the Duke, as were, coincidentally, the Lintorn-Ormans, the movement's founders. Furthermore, when the Fascisti were eventually launched their headquarters were for a time housed on the same premises as the offices of *The Patriot*, and it was allowed to use the paper as a means of informing its members of its activities. So close were the links that the *Daily Herald* could refer to Northumberland as the head of the movement as late as October 1923, some six months after it had been launched.⁷⁸

Moreover, it was one of the anti-socialist groups to which the Duke of Northumberland subscribed which was deeply implicated in the emergence and development of the Fascisti. This was the British Empire Union, a body which, as noted above, displayed decidedly Fascist characteristics from an early stage. It shared the Duke's paranoia concerning the imminence of a Bolshevik-style revolution and the existence of a 'Jewish conspiracy' to subvert and destroy Britain and its Empire – a paranoia doubtless fuelled by the reports it received from its intelligence network claiming that 'Bolshevik agents' had 'honey-combed' the entire Labour movement (including the TUC and the Labour Party) and were merely waiting for the Labour Party's electoral victory to implement their revolutionary agenda.⁷⁹ Certainly, by the beginning of 1923 the BEU was looking at the prospect of a constitutionally elected Labour government with foreboding, warning in its annual report for 1922 that 'all sections of the Socialist Party from the most moderate to the extreme Communist . . . were devoting themselves to propaganda and electoral strategy', and urging that anti-socialist forces organise to combat Labour's attempts to 'Bolshevise' Britain.⁸⁰ Initially, the BEU saw itself as being the leading body to orchestrate this renewed anti-socialist campaign, acting as 'the right wing of the combined movement', but that strategy failed to bring with it the desired results.⁸¹ It therefore took little prompting to tempt the BEU into experimenting with the 'fascist solution', and when the Duke of Northumberland's friends, the Lintorn-Ormans, formally established the British Fascisti in May 1923, the BEU sent an agent from its intelligence network, John Baker White, to visit the Fascisti's headquarters 'in a large dark house in Elm Park Gardens'.

It would appear, too, that the BEU was not the only prominent anti-socialist body involved in fostering the forces of Fascism. The Anti-Socialist Union (ASU), for example, was associated with the British Fascisti from its inception through Commander Oliver Locker Lampson and Nesta Webster (author of the ASU's anti-socialist handbooks, and

one of its leading researchers), and through the the Duke of Northumberland's printing company which served as a centre for right-wing, anti-socialist intrigue.⁸² It participated in numerous joint activities with the Fascisti and employed the Fascisti's 'Q' divisions to steward and act as 'Guards of Honour' at its meetings and campaigns, such as the 'Clear Out the Reds' and 'Hands Off Our Empire' crusades launched jointly with the BEU and the National Citizens' Union in 1926 and 1931 respectively.⁸³ Along with the Organization for the Maintenance of Supplies, the latter group, the National Citizens' Union, engaged in joint operations with local Fascisti units, as did the short-lived Constitutionalist Association.⁸⁴ The Fascisti also found some degree of collaboration forthcoming from the Economic League, though this is not, perhaps, surprising, given that its Assistant Director (John Baker White) had been a member of the Fascisti's ruling Grand Council. Brigadier Kitson Clark, an executive member of the League, and one of Leeds' leading industrialists, shared a platform with the Fascisti's President, Brigadier General Blakeney, at a meeting sponsored by the Leeds Nineteen Club in 1925. The flavour of the meeting can be gauged by the fact that 'at the back of the platform from which Blakeney and Kitson Clark spoke hung a large portrait of Benito Mussolini'.⁸⁵

It is difficult to assess with mathematical precision the extent to which the British Fascisti was created, aided and abetted by the anti-socialist right, but there can be little doubt that the influence of the anti-socialists was considerable. This becomes apparent when the fortunes of the movement in the first year of its existence are examined. At first, the Fascisti's links with anti-socialist individuals and groups were kept to a minimum, to give the movement the appearance of independence and autonomy to increase its political credibility. The result was that the Fascisti had great difficulty in asserting its presence, and was unable to hold its own in its clashes with the political left.⁸⁶ It was at this point that the Fascisti was transformed by the sudden influx of individuals of the calibre of John Baker White, and by the build-up of overt links with anti-socialist bodies. By May 1924, the British Fascisti had been overhauled and re-organized, complete with area and county commands, and had acquired a more efficient paramilitary structure. Both Special Branch and newspaper reports for 1924 indicate that the movement was operating in a more effective and formidable fashion in its encounters with its political rivals, and was now, in most of the incidents recorded, the aggressor. So much so, in fact, that the left was obliged to take steps to form a number of local and national anti-fascist defence organizations to resist Fascisti assaults.⁸⁷ It would appear, then, that anti-socialist organizations were not only implicated in the emergence of the Fascisti,

but necessary to its growth and development as a viable force, and that their links with the movement were maintained to ensure this. John Baker White's membership of the Fascisti and that of Maxwell Knight were almost certainly conducted with this end in view.

The significance of this is apparent. As a result of its links with the anti-socialists, the British Fascisti could easily become the beneficiary of the close relations that existed between its anti-socialist mentors and the intelligence and security services. To the latter the Fascisti would have appeared as merely a more aggressive and more militant version of those groups with which they were already colluding – and all the more so given that the Fascisti appeared to emerge from among the same circles and personnel. If Sir George Makgill and John Baker White were indeed responsible for introducing Maxwell Knight to MI5, then MI5 would have had little doubt that Knight was a 'trustworthy' and 'loyal' patriot whatever the nature of his Fascist credentials. The fact that MI5, as noted earlier, allowed Knight to retain his membership of the movement, and to continue to perform his Fascist 'duties', would certainly seem to confirm such a hypothesis. Indeed, Knight's letter to the Fascisti's paper, the *British Lion*, in December 1927, in which he stated that he was 'going where I can still keep an eye (or even two) on any undesirables, inside or outside the movement, who may seek to make trouble for us', would appear to indicate that as far as Knight himself was concerned, his duties as a member of the British Fascisti were not seen as being incompatible with his employment as an agent of MI5. Moreover, since Knight was not at this stage of his career high up enough in the hierarchy to exercise his own independent judgement and discretion in these matters, his views probably reflected those of his immediate superiors in MI5.

That MI5 was also prepared to collude with the British Fascisti in much the same way as it was prepared to collude with the anti-socialists is, therefore, a distinct possibility. Certainly, there is an indication of this in Knight's letter to the *British Lion*. There is, too, firmer evidence in the intelligence report on British Fascism sent to the Australian authorities at the end of 1924. This was MI5's assessment of the relative strengths and weaknesses of the main Fascist groups then in existence. Besides the British Fascisti, it also scrutinized the National Fascisti and the British Empire Fascists. Interestingly, the report adopts a neutral tone in its evaluation of the British Fascisti, but is highly critical in its appraisal of both the National Fascisti and the British Empire Fascists. These, it asserts, are small and badly organized, and (unlike the British Fascisti) are unreliable and untrustworthy from MI5's point of view. The author of the report then reveals the fact that these assessments

came directly from the intelligence department of the British Fascisti,⁸⁸ thereby indicating that MI5 was accepting at face value the information that was being passed to it from that group. At the very least this would suggest that MI5 was exploiting the British Fascisti as a source of 'positive intelligence', and this clearly is a form of collusion. Then, too, it is worth recalling the testimony of Neil Francis Hawkins, claiming that following Knight's resignation from the Fascisti he asked Hawkins to meet him at the War Office to offer the Fascisti his *continued* assistance in its anti-Communist work.⁸⁹ The clear implication here is that MI5 was colluding with the Fascisti by using it as a vehicle for conducting 'plausibly deniable' operations against left-wing targets, which was, perhaps, the role Knight had been playing from the moment he was recruited. Such are the implications of the evidence, and it would be foolish indeed to dismiss that evidence out of hand.

V

What conclusions, then, can be drawn from this exploration of Maxwell Knight's 'careers'? At its most obvious it indicates that existing accounts of the relationship between MI5 and British Fascism between the wars are far from satisfactory. Knight's 'careers' would suggest that this relationship was a rather more ambiguous and complex one than the literature has been willing to portray. Certainly, it included some measure of collusion. Knight was not merely keeping the British Fascisti under surveillance and monitoring its activities, but also using it as a means for pursuing MI5's anti-socialist agenda. This does not seem to have been simply an aberration on Knight's part. The evidence clearly indicates that MI5 had embarked on such a path when it first began to collude with the patriotic and anti-socialist organizations that emerged during and after the First World War. Indeed, the private intelligence agencies established by these groups were, as the archival record demonstrates, closely interwoven with MI5 from a relatively early stage. Given that it was these groups that fostered the Fascisti's development, their 'arrangement' with MI5 could be easily extended to encompass the Fascisti itself – and this is what appears to have happened. Of course, just as there were limits to MI5's collusion with the anti-socialists, so, too, would there have been limits to its collusion with the Fascists. Unfortunately, lack of detailed documentary sources makes it impossible to determine precisely what these limits were, and how these limits would have affected the nature of the collusion itself. But the fact that such collusion existed at all means that historians will need to construct a rather different understanding of MI5's relations with Fascism.

NOTES

1. This standard view is to be found in R. Thurlow, *Fascism in Britain: A History 1918–85* (Oxford, 1987), and in R. Thurlow, 'The "Mosley Papers" and the secret history of British fascism', in T. Kushner and K. Lunn (eds), *Traditions of Intolerance* (Manchester, 1989), pp.173–95.
2. A. Masters, *The Man Who was M: The Life of Maxwell Knight* (Oxford, 1984).
3. *Ibid.*, pp.76–106 and 135–67; Thurlow, *Fascism in Britain*, pp.194–5; R. Bearse and A. Read, *Conspirator: The Untold Story of Churchill, Roosevelt and Tyler Kent, Spy* (London: 1991).
4. W.J. West, *Truth Betrayed* (London, 1987), pp.233–5.
5. H0283/40/22.
6. Australian Archives (AA0, CRS A981/1 Item 'Fascism 3'. I am grateful to Dr. Andrew Moore for providing me with a copy of this document.
7. F0371/11384/180–182.
8. *British Lion*, Dec. 1927. I would like to thank Julian Putkowski for bringing this to my attention.
9. *Ibid.*
10. This outline of Knight's duties is drawn from editions of the *Fascisti Bulletin* and the *British Lion*, as well as from H0144/19069.
11. *Fascisti Bulletin* 26 Jan. 1926.
12. H0283/40/22.
13. Typescript of the Tyler Kent Case, pp.94–5, Tyler Kent Papers.
14. West, *op. cit.*, p.325–38.
15. B. Porter, *Plots and Paranoias* (London, 1989), pp.165.
16. John Baker White, *True Blue*, (London, 1971), pp.122–3 and 142.
17. *Ibid.*, p.129.
18. Tom Cullen, *Maundy Gregory* (London, 1974), p.150.
19. White, *op. cit.*, p.123.
20. John Baker White, *It's Gone for Good* (1941), 122–3.
21. BT31/32629.
22. *Who Was Who 1927; The Times*, 19 Oct. 1926; Drage Papers, Box 6, Part 3 (OMS).
24. Panikos Panayi, 'The British Empire Union during the First World War', in T. Kushner and K. Lunn (eds), *The Politics of Marginality* (London, 1990), pp.113–28.
23. *The Times*, *op. cit.*
25. *Monthly Record*, October and December 1916; July 1917; March 1918.
26. *Ibid.*, issues for December 1918 to March 1919.
27. *British Empire Union Annual Report*, 1920.
28. Captain Guy Liddell to Foreign Office, F0371/11775/33.
29. Ron Bean, 'Liverpool Shipping Employers and the Anti-Bolshevik Activities of J.M. Hughes', *Bulletin of the Society for the Study of Labour History*, No. 34 (Spring 1977).
30. J. Hope, 'Fascism, the Security Service and the Curious Careers of Maxwell Knight and James McGuirk Hughes', *Lobster*, No. 22 (1991), pp.1–5.
31. *British Empire Union Annuals*, 1920–23.
32. MSS200/F/1/1/22, Federation of British Industries Papers, Organization and Management Committee Minutes, 14 Dec. 1917.
33. See S. White, 'Ideological Hegemony & Political Control: The Sociology of Anti-Bolshevism in Britain', *Scottish Labour Journal*, No. 9 (June 1975) for brief details.
34. Hannon Papers, H13/4, 'Industrial Unrest'.
35. Engineering Employers' Federation Papers, MSS237/3/1/230, 'National Propaganda', Circular Letter from Admiral Hall to potential subscribers, 27 Aug. 1919.
36. Memorandum by Captain R. Kelly entitled 'National Propaganda and Co-ordination of Propagandist Bodies', dated Nov. 1920, Gannon Papers, Private Collection.
37. F0371/11775/30–33.
38. Cunard Papers, D42/C2/108.

39. See Arthur McIvor, 'A Crusade for Capitalism: The Economic League 1919-39'; *Journal of Contemporary History*, Vol. 23.(1988).
40. J. B. White, *It's Gone for Good*, op. cit., p.129.
41. F0371/11775/30-31; *Economic League Annual Report* 1925 and 1927.
42. Drage Papers, Box 6, Part 3 (0MS).
43. Admiral Sir William James, *Eyes of the Navy* (London, 1955), pp.180-4; Christopher Andrew, *The Secret Service* (London, 1985), pp.301-7; Admiral Hall to Executive Committee of National Propaganda, 4 Feb. 1920, Gannon Papers.
44. Hannon Papers, H11/13, H13/4, Diary entries for 1916-21; Hankey Papers, Diary entries for 1916-19.
45. On Major Melville Lee and PMS2, see N. Hiley, 'British Internal Security in Wartime: The Rise and Fall of PMS2 1915-17', *Intelligence and National Security*, Vol. 1, No. 3 (1986); on Melville Lee's links with National Propaganda *et al.*, see Ralph Isham Papers, Box 2, Folder 20 and Box 1, Folder 2, and *National Propaganda: Objectives & Constitution*, 1920.
46. For a brief outline, see J. Hope, 'British fascism and the state: a re-examination of the documentary evidence', *Labour History Review*, Vol. 57, No. 3 (Winter 1992), pp.77, 72-83.
47. Andrew, op. cit., Chs. 1 and 2; Porter, op. cit., Ch. 6.
48. Lloyd George Papers, LG F6/10-23.
49. James, op. cit., pp.9-40; H045/10756/178116.
50. National Service League, Annual Reports, 1917-18.
51. See the Annual reports for these bodies for the years 1917-19.
52. *Intelligence Circular No. 15*, Dec. 1917, AIR1/720/36/1. The significance of this document was first brought to public attention by Nicholas Hiley.
53. *Ibid.*
54. CAB24/61/198; Basil Thomson, *The Scene Changes* (London: Collins, 1939), p.383.
55. Hiley, 'British Internal Security in Wartime', op. cit.
56. Porter, op. cit., pp.151-74.
57. Ralph Isham Papers, Box 2, Folder 16, MI5 to Isham, 19 Feb. 1919 and memorandum by Isham, 12 March 1919. For access to the Isham Papers in his possession, I am most grateful to Julian Putkowski.
58. Blumenfeld Papers, Thoms 1-4.
59. Admiral Hall to Executive Committee members, 4 Feb. 1920, Gannon Papers.
60. Cunard papers, D42/C2/108, 'Secret Report' and 'Secret Memorandum'.
61. Isham Papers, Box 1, Folders 1 and 8.
62. CAB23/3/223-4 and 227.
63. H045/10743/263275/265. See also Ken Weller, *Don't be a Soldier!* (1985), pp.30, 38-9, 56-7 and 87-91, and J.O. Stubbs, 'Lord Milner and Patriotic Labour 1914-18', *English Historical Review*, Vol. 87 (1972). On the BEU's involvement, see Panayi, op. cit.
64. K. Jeffrey and P. Hennessy, *States of Emergency* (London, 1983), Chs. 1-3, and J. Morgan, *Conflict and Order* (Oxford, 1987), pp.75-110.
65. *Who Pays for the Attacks on Labour?*, ILP Pamphlet, 1920, This is supported by Thomson's comments on the National Security Union in his fortnightly report on 'Revolutionary Organizations' for 10 March 1919, CAB24/76/376-81.
66. CAB27/84/1-28; CAB27/83/1-38; H045110756.
67. See the 'National Citizen' and 'New Voice' for 1921 and 26, and the BEU's Annual Reports for 1921 and 1926. See also 'Strikebreaking Organizations', *Socialist Review*, April 1925 and 'The Economic League at Work', *ILP Weekly Notes for Speakers*, 2 Sept. 1926.
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69. McIvor, op. cit.; M. Hollingsworth and C. Tremayne, *The Economic League: The Silent McCarthyism* (London, 1989).
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71. Thurlow, *Fascism in Britain*, pp.2-21 and 46-50.
72. See S. White, op. cit., and R. Benewick, *The Fascist Movement in Britain* (London, 1962), pp.39-42.
73. Panayi, op. cit., and Weller, op. cit.; Barbara Storm Farr, *The Development and Impact of Right Wing Politics in Britain* (Garland Publishing, Inc., 1987) pp.26-8; *Morning Post*, 31 Jan and 10 Feb. 1919.
74. Benewick, op. cit., pp.33-4; Farr, op. cit., p.56; Colin Cross, *The Fascists in Britain* (London, 1961), pp.58-9.
75. Farr, op. cit., pp.57.
76. Ibid.
77. 'The Patriot', 4 Jan 1923.
78. H.S.B. Blume, 'A Study of Anti-Semitic Groups in Britain 1918-40', M. Phil. Thesis, University of Sussex, 1971, pp.88-98, and R. Gilman, *Behind 'World Revolution': The Strange Case of Nesta Webster* (Ann Arbor, 1982), pp.42-4.
79. 'Secret Memorandum', Cunard Papers, D42/C2/108.
80. *British Empire Union Annual Report 1922*, pp.4-6.
81. Strachey Papers, 19/3/3.
82. Blume, op. cit.; Gilman, op. cit.
83. Farr, op. cit., pp.64-5.
84. Benewick, op. cit., pp.40-1; J.C.C. Davidson Papers, Folder 169.
85. Mike Hughes, 'Spies at Work', unpublished manuscript. I am grateful Mike Hughes for permitting me to see his manuscript.
86. CAB24/162/153 and 157
87. PRO 30/69/220 and 241. See also *Manchester Guardian* reports on the British Fascisti for July and August 1924.
88. AA CRS A981/1 Item 'Fascism 3'.
89. H0283/40/22.